

GSA Federal Acquisition Training Symposium

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GSA Schedules and the Utilization of Small Business

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This course is sponsored by the GSA Federal Acquisition Service in association with the Federal Acquisition Institute





Learning Objectives

Upon completion of this course, you should be able to:



- Describe the purpose and benefits of the Multiple Awards Schedule (MAS) program
- Define socioeconomics in the context of Government acquisition
- Identify the various small business types and how socioeconomic objectives work within the Government
- Recognize FAR and the Small Business Act requirements as they apply to the Multiple Award Schedule (MAS) program
- Utilize set-asides for both small businesses and subsets of small businesses, based on market research
- Identify contracting and competition requirements for the MAS program, including getting agency credit for awards to small businesses



What is MAS all about?

TOPIC 1: INTRODUCTION TO THE MAS PROGRAM

What Is a Multiple Award Schedule?

- Governmentwide contract vehicle for <u>commercial</u> products, services, and solutions
- Also known as "Federal Supply Schedule (FSS)" "GSA Schedules" or "MAS"
- Standing solicitations posted on FedBizOpps
- Awarded using FAR Part 12 procedures

MAS Contract Characteristics

- Multiple Award IDIQ (5 year base, three 5 year options)
- Fixed Price EPA
- Fair and reasonable pricing
 - Price reductions may be applied at the order level.
- Performance requirements established at the order level

Regulatory Foundation

The Federal Acquisition Regulation (FAR)

| FAR | Provides | Applicability |
|---------------------|--|---|
| Subpart 8.4 | Ordering procedures for GSA Schedules | Federal Government ordering activities |
| Part 12 | Acquisition of Commercial Items | GSA awards Schedule contracts under Part 12 |
| Subpart 6.102(d)(3) | Defines orders placed against Schedules as a competitive procedure | All |

FAR Parts Not Applicable to Schedules Orders

| FAR | Title | Applicable |
|---------|-----------------------------------|------------------------------|
| Part 13 | Simplified Acquisition Procedures | NO |
| | | (except allows for MAS BPAs) |
| Part 14 | Sealed Bidding | NO |
| Part 15 | Contracting by Negotiation | NO |
| Part 19 | Small Business Programs | NO |
| | | (except Bundling) |
| Part 36 | Construction and A&E | NO |

FAR Parts Applicable to Schedules Orders

| FAR | Title | Applicable |
|--------------|---------------------------------------|------------|
| Part 7 | Acquisition Planning | YES |
| Part 10 | Market Research | YES |
| Subpart 17.5 | Interagency Acquisitions | YES |
| Subpart 33.1 | Protests | YES |
| Subpart 37.6 | Performance Based Acquisition | YES |
| Part 39 | Acquisition of Information Technology | YES |



What can MAS do for your organization?

TOPIC 2: BENEFITS OF THE MAS PROGRAM

FAR Subpart 8.4 Simplifies the Acquisition Process

In contrast to FAR Part 15, Contracting by Negotiation, Schedule orders do not require:

- Conducting a formal "negotiated procurement" (Source Selection Evaluation Board (SSEB)
- Issuing a "solicitation" for thirty days (or any other pre-determined time)
- Conducting a "competition" by seeking contractors outside the Schedules program
- Synopsizing the requirement on FedBizOpps, unless it's a limited sources acquisition over the SAT
- Conducting "discussions"
- Conducting formal "debriefings" or "competitive range determinations"
- Using FAR Subpart 15.3 concepts and procedures

GSA Schedules Conform with Competitive Contracting

Schedule users shall <u>not</u>:

- Seek further competition outside of the MAS program
- Synopsize the requirement (unless Sole-Source greater than SAT with an LSJ See 8.404(g))

FAR Subpart 8.404(a)

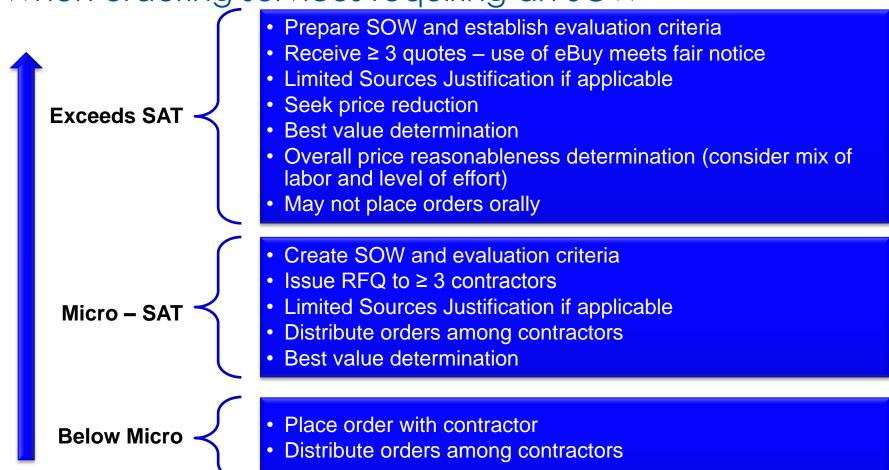
Ordering Procedures – FAR Subpart 8.405-1

When ordering supplies or fixed-price services w/out



Ordering Procedures – FAR Subpart 8.405-2

When ordering services requiring an SOW





What can I buy?

TOPIC 3: TYPES OF SCHEDULES AND CHARACTERISTICS

MAS Schedule Facts

Did you know...

- > GSA offers over 25 million supplies and services.
- 33 open and standing solicitations published on FedBizOpps (including 9 managed by VA)
- > Over 16,000 Schedule contracts
 - 81% are small businesses.
 - Orders and BPAs may be set aside for small businesses.
- \$40+ billion total annual spend (including VA)

What Services Are Available on Schedule?

- Environmental Services
- Professional Engineering Services
- Logistics Services
- Language Services
- Management and Consulting Services (including Training)
- Temporary Administrative and Professional Services

- Information Technology Services
- Advertising and Marketing Services
- Financial and Business Solutions
- Security Solutions
- Facilities Maintenance
- Disaster Relief

Note: For a comprehensive list of services, please visit GSA eLibrary.

<u>Visit the GSA eLibrary</u>



What Supplies Are Available on Schedule?

- Office Supplies and Equipment
- Tools and Hardware
- Building and Industrial Materials
- > Furniture
- Scientific Equipment

- Information Technology Products
- Vehicles and Support Equipment
- Appliances and Food Services
- Law Enforcement, Fire, and Security Products

Note: For a comprehensive list of supplies, please visit GSA eLibrary.

<u>Visit the GSA eLibrary</u>





How does MAS support small business?

TOPIC 4: OVERVIEW OF SOCIOECONOMICS

MAS Supports Small Business Utilization

- MAS program promotes small business through socioeconomic preference or set-asides.
- > FAR Part 19, Small Business Programs
 - Applies to Schedule contracts
 - Does NOT apply to orders
- Exception to FAR 19 applicability at the order level:
 - Bundling (FAR19.202-1(e)(1)(iii))
 - Size standard criteria

MAS Supports Small Business Utilization, Cont.

Socioeconomic Preference (Non Set-Aside orders)

- Consider at least one small business prior to placing an order (8.405-5(c))
- Give preference to small business if you have at least two (2) quotes at the same delivered price from small business (8.405-5(d))
- Encourages use of Contractor Team Arrangements (CTAs)
- No limitation on subcontracting
- Ordering activity receives socioeconomic credit (8.405-5(b))
- Consider socioeconomic status as a primary evaluation factor (8.405-5(c))
- May choose small business subcontracting as an evaluation factor

MAS Supports Small Business Utilization, Cont.

If available, ordering activities should consider at least one:

- Small business
- Veteran-owned small business
- Service disabled veteran-owned small business
- HUBZone small business
- Women-owned small business
- Small disadvantaged business

FAR Part 19: Small Business Programs

- Part 19 generally <u>does not apply</u> to Schedule <u>orders</u> (See 8.404(a))
 - FAR 8.405-5 provides policy for set-asides at the Schedule order level.
- ➤ 19.502-4 Multiple-award contracts and small business setasides...

Contracting officers may, at their discretion—

- (c) Set aside orders placed under multiple-award contracts for any of the small business concerns identified in FAR 19.000(a)(3)...
 - "For Federal Supply Schedules Program orders see FAR 8.405-5."
- 19.508(c) requires certain clauses for total and partial set-asides as well as limitations on subcontracting to be added to orders under MAS.

FAR Subpart 8.405-5 – Small Business

- 8.405-5(a) Preference programs of Part 19 are not mandatory.
- 8.405-5(a)(1) Set-asides are <u>discretionary</u> for orders and BPAs against Multiple Award Schedules.
- \triangleright 8.405-5(a)(2) Follow the ordering procedures at:
 - 8.405-1 Products and services without SOW
 - 8.405-2 Services with an SOW
 - <u>8.405-3</u> BPAs
 - The specific small business program eligibility requirements identified in Part 19 apply.

FAR Subpart 8.405-5 – Small Business, Cont.

- ➤ 8.405-5(b) Orders placed against Schedule contracts may be credited toward the ordering activity's small business goals.
 - For purposes of reporting, an ordering agency may take credit only if the awardee meets a size standard that corresponds to the work performed.
 - Ordering activities should rely on the small business size representations made at the Schedule contract level. (Size standard is found in eLibrary)
- Agencies do not need to make a separate size determination at the order level, however...
 - GAO has upheld agencies' right to request a recertification at the order level (CMS Information Services Inc., B-290541, Aug. 7, 2002).

Certification Requirements for MAS Contracts

- MAS contracts size standard certification is generally valid for 5 years.
- > Firms must recertify at the time of an option exercise.
 - Exceptions:
 - Novation (within 30 days after effective)
 - Merger or Acquisition (within 30 days after effective)
- See FAR 19.301-2

What Is Considered a Small Business?

- SBA establishes small business size standards.
- Industries are classified using the North American Industry Classification System (NAICS).
 - There are separate NAICS codes for various products and services.
- For GSA Schedules NAICS codes are applied at the Schedule contract level.
 - May not use NAICS codes at the order level that have not been awarded on the Schedule contract (See 13 CFR 121.404(g)(3)(iv))

Special Subcategories of Small Business

- Veteran-owned small businesses (VOSB)
 - One or more veterans own at least 51%, and they manage and control daily business operations
- Service-disabled, veteran-owned small businesses (SDVOSB)
 - Veteran-owned small business with disability incurred or aggravated in line of duty in the active military, naval, or air service
- Women-owned small businesses (WOSB)
 - One or more women own at least 51%, and they manage and control daily business operations
- Economically disadvantaged women-owned small business (EDWOSB)
 - One or more women own at least 51%, and they manage and control daily business operations, and
 - Are economically disadvantaged in accordance with 13 CFR Part 127

Special Subcategories of Small Business

- HubZone small businesses
 - HUBZone is a historically underutilized business zone within qualified census tracts, qualified nonmetropolitan counties, qualified base closure areas, or redesignated areas, or lands within the external boundaries of an Indian reservation
 - The phrase "HUBZone small business" appears on SBA's List of Qualified HUBZone Small Businesses
- Small, disadvantaged businesses and 8(a)s
 - One or more socially and economically disadvantaged individuals own at least a 51% interest and control management and daily business
 - African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged

Nonmanufacturer (NMR) Rule

What Is the Nonmanufacturer Rule?

- On a supply contract, a firm must perform at least 50% of the cost of manufacturing the supplies (not including the cost of materials).
- The NMR provides that...
 - a firm that is not a manufacturer may qualify as a small business on a supply contract that has been set aside for small business if it supplies the product of a domestic small business manufacturer.

For additional information:

Nonmanufacturer (NMR) Rule, Cont.

Nonmanufacturer Rule Reminders

- As the Contracting Officer applying the Nonmanufacturer Rule to your acquisition strategy, there are some things to remember:
 - The NMR does not apply to service contracts.
 - The NAICS code and size standard will flow down from the Schedule contract.
- SBA may grant waivers to the NMR in industries where there are no small business manufacturers.
 - Nonmanufacturer waivers are not granted for HUBZone procurements.
 - Nonmanufacturer waivers cannot be granted after quotes on a solicitation have been received.

Nonmanufacturer (NMR) Rule, Cont.

Language applying the NMR to set-aside Schedule orders can be found in the following clauses:

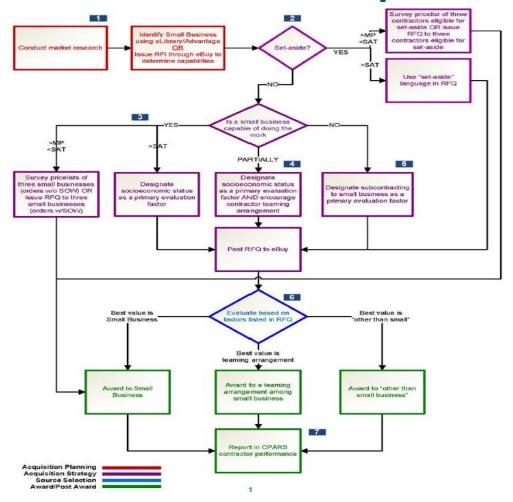
| Clause | Title |
|-----------|--|
| 52.219-3 | Notice of HUBZone Set-Aside or Sole Source Award (Nov-2011) |
| 52.219-6 | Notice of Total Small Business Set-Aside (Nov-2011) |
| 52.219-27 | Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (Nov-2011) |
| 52.219-29 | Notice of Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (Nov-2011) |
| 52.219-30 | Notice of Set-Aside for Women-owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (Nov-2011) |

Required Clauses

These clauses are being added to the Schedule contracts. However, this should be verified through Contracts Online. If the Schedule contract has not been modified to add the clauses, the ordering activity Contracting Officer should incorporate the applicable clause(s) into the RFQ.

| Clause | Title |
|-----------|--|
| 52.219-3 | Notice of HUBZone Set-Aside or Sole Source Award (Nov-2011) |
| 52.219-6 | Notice of Total Small Business Set-Aside (Nov-2011) |
| 52.219-13 | Notice of Set-Aside of Orders (Nov-2011) |
| 52.219-14 | Limitations on Subcontracting (Nov-2011) |
| 52.219-27 | Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (Nov-2011) |
| 52.219-29 | Notice of Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (Nov-2011) |
| 52.219-30 | Notice of Set-Aside for Women-owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (Nov-2011) |

Process for Effective Accomplishment



RFQ Language

The Contracting Officer should include the following language in the RFQ:

This is a notice that this [insert either "order" or "Blanket Purchase Agreement"] is a total set aside for [insert either "small business concerns" or specify a type of small business concern]. Only quotes submitted by [insert either "small business concerns" or specify a type of small business concern] will be accepted by the Government. Any quote that is submitted by a contractor that is not [insert either "a small business concern" or specify a type of small business concern] will not be considered for award.

Note: If using eBuy and selecting "set aside," this language will be included in the RFQ automatically.

Set-Aside Schedules and Special Item Numbers (SINs)



Search Results Summary Search Criteria: set aside



Visit the GSA eLibrary

Instructions: Click the source number to view a list of categories. Click the category number (i.e. SIN) to view a list of contractors.

| Descri | iption matches | | |
|---------------|--|--|--|
| Source | Description | | |
| 23 V | Alternative fuel When using this information on t Devices and Dig | SUPERSTORE - GSA purchases many types of new vehicles and vehicle related products for government agencies and DoD. Use AutoChoice to purchase: vehicles; Ambulances; Buses; Light trucks; Light trucks - vocational; Medium and heavy trucks; Sedans; Wheelchair vans; Wreckers and carriers. It is schedule, you can access vendors directly to place an order for vehicles or accessories or you can contact GSA to place the order on your behalf! More these options is available through our CARS line at 703-605-CARS (2277). The following vehicles and accessories are available under GSA Schedule: Aerial ager/Derricks; Construction Equipment, Road and Snow Maintenance; Fire Trucks; Low Speed Vehicles (Gas or Electric); Mobile Command Centers; dengines; Snow Maintenance Equipment; Tankers; Tires; Trailers; Trash Collectors and Recycling Vehicles; Truck Bodies; and Vehicle Accessories and | |
| | Category | Description | |
| | 271 102 | Snow Maintenance Equipment (Vehicle Mounting) - limited to: Snowplows, salt/sand spreaders, and snow blowers (Total Small Business Set-Aside) | |
| 36 | THE OFFICE, IMAGING AND DOCUMENT SOLUTION | | |
| | Category | Description | |
| | 20 220 | Projection Screen, Stand, Printer (Enlarger), Systems - Includes projection screens for all types of projection applications (including front and rear, portable, manual wall ceiling, or electronic wall or ceiling, or wall mount, tripod, theatre video screen, optical). Projection Stands can be used with or without electrical outlets, folding or non-folding, may be self-leveling. Projection printers (enlargers) allow vertical and/or horizontal projection and are designed for, and used specifically with, all types of projectors listed herein. The projection system is a high-definition electronic cinema projection system that delivers film-quality image and digital surround sound. This SIN also includes directly related accessories, attachments and supplies(SET ASIDE FOR SMALL BUSINESS; MAS EXPRESS) | |
| | 47 147 | Security Applications for Business Machines - Includes security applications for office equipment (e.g., computers/monitors, keyboards, printers, fax machines, TV and VCR, calculators, copiers, medical equipment, cash registers, printers, typewriters laboratory Systems, word processors, | |



How can you identify small businesses within the Schedules program?

TOPIC 5: IDENTIFYING SMALL BUSINESSES

Market Research

- Market research is the key to achieving small business objectives.
- Use market research to ensure at least three small businesses can meet the need in order to meet ordering procedure requirements.
- FAR Part 7 and Subpart 8.4 require acquisition planning and market research prior to placing orders against Schedules.
- The two most commonly used approaches to market research are:
 - Identify small businesses through eLibrary
 - Issue an RFI through eBuy to determine market capabilities
- The outcome of market research determines the acquisition strategy, both in terms of how to acquire goods and services and in how they are described to enable maximum competition.

GSA Advantage! www.gsaadvantage.gov

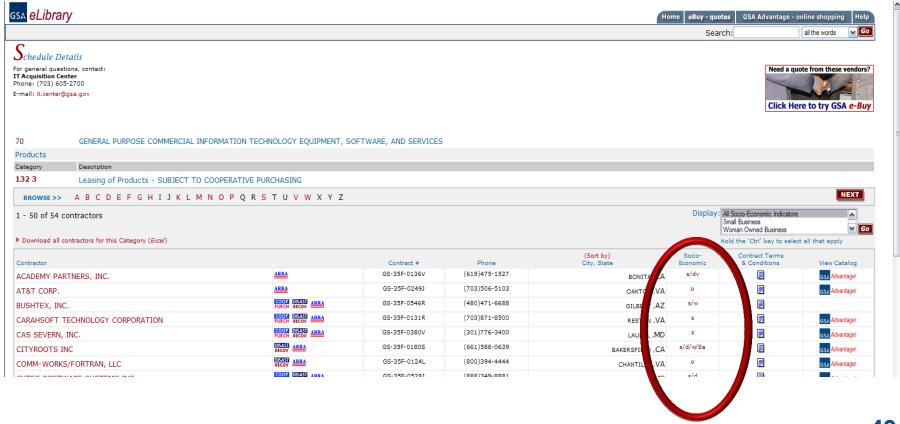
GSA *Advantage!* can help find supplies (products) through the price comparison option. By using the column entitled "Socio" the ordering activity can view the socioeconomic status of each contract.



eLibrary

www.gsaelibrary.gsa.gov

GSA eLibrary can assist with locating Schedule contractors and their socioeconomic status by using the Socioeconomic column.



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Description

Category

GSA Advantage!

Home Prepare an RFQ My RFQs Profile e-Buy Guidance e-Buy Training

Step 1. Assign Category & Select Vendors

Instructions: Listed below are vendors who currently have contracts under the Category you selected. Place a "check" next to the vendors whom you would like to quote on your RFQ. The vendors you select will receive an e-mail notice inviting them to quote on your requirements. You may request a quote from any or all vendors listed. In order to satisfy FAR requirements, you should request quotes from at least three (3) vendors (if available). Remember, vendors are not required to submit a quote.

Reminder: Other vendors listed under this category may view and quote on the RFQ even if they have not been selected to receive an email invitation. In the event of a set-aside, ALL eligible vendors must be notified.

36 THE OFFICE, IMAGING AND DOCUMENT SOLUTION

| Repair of Government-Owned Equipment (all equipment cover | ed under this schedule) for eq | uipment not under Maintenance Service / | Agreement | | |
|--|--|---|---|--|--|
| ntractors are available. | | | | ▷ S | Submit |
| lect all vendors a small business set-aside? business set-aside, select small business program s is a small business set-aside, you must select the small business program f | Small Business SBA Certified 8(a) Firm Note: Hold the 'Ctrl' key to select allows sorting for selection/invitat It does not prevent unselected ve | t all that a | oses only | | |
| Vendor | City, State | Socio-economic | | Text File | Web page |
| ABC LASERJET INC. | NORCROSS, GA | Small Business SBA Certified Small Disadvantaged Business Women Owned business | | | A |
| BIDWELL INDUSTRIAL GROUP, INC. | MIDDLETOWN, CT | Small Business | | | 3 |
| CANNON IV, INC. | INDIANAPOLIS, IN | Small Business | | | 3 |
| CARTRIDGE TECHNOLOGIES, INC. | ROCKVILLE, MD | Small Business SBA Certified Small Disadvantag | ged Business | | 2 |
| bu | ntractors are available. lect all vendors a small business set-aside? business set-aside, select small business program visis a small business set-aside, you must select the small business program for the small busin | ntractors are available. lect all vendors a small business set-aside? business set-aside, select small business program is a small business set-aside, you must select the small business program from the drop-down Vendor | Display: dect all vendors a small business set-aside? Display: Display: | Display: All Socio-Economic Indicators Small Business SBA Certified 8(a) Firm Note: Hold the 'Ctrl' key to select allows sorting for selection/invitation is a small business set-aside, you must select the small business program from the drop-down Vendor | Display: All Socio-Economic Indicators Small Business set-aside? Sect all vendors Set a small business set-aside? Ususiness set-aside plus set as set aside, you must select the small business program from the drop-down Vendor City, State Socio-economic Text File ABC LASERJET INC. NORCROSS, GA Small Business SBA Certified Small Disadvantaged Business Women Owned business BIDWELL INDUSTRIAL GROUP, INC. MIDDLETOWN, CT Small Business CANNON IV, INC. INDIANAPOLIS, IN Small Business CARTRIDGE TECHNOLOGIES, INC. Small Business CARTRIDGE TECHNOLOGIES, INC. Small Business |

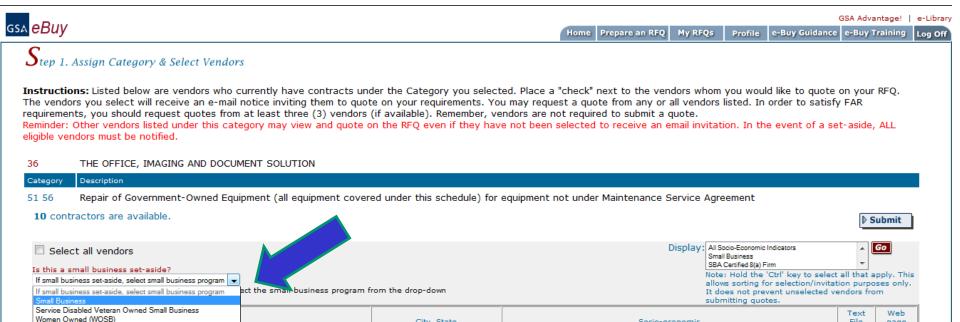
eBuy

ABC LASERJET INC.

CANNON IV, INC.

BIDWELL INDUSTRIAL GROUP, INC.

CARTRIDGE TECHNOLOGIES, INC.



Socio-economic

Small Business

SBA Certified Small Disadvantaged Business Women Owned business

Small Business

Small Business

Small Business SBA Certified Small Disadvantaged Business Women Owned business

City, State

NORCROSS, GA

MIDDLETOWN, CT

INDIANAPOLIS, IN

ROCKVILLE, MD

File

page

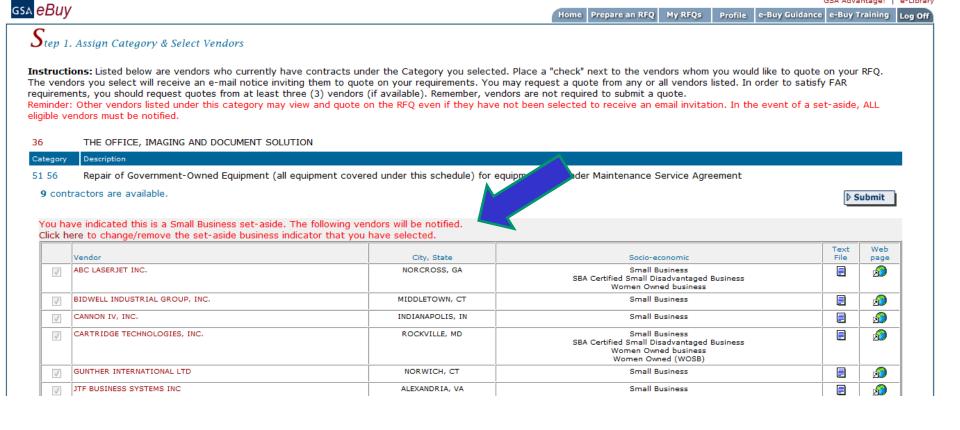
7

7

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eBuy



Recap

| Set-Aside | Non-Set-Aside | | |
|--|---|--|--|
| Ordering activity may conduct discretionary setasides. | Ordering activity should give preference to small business if at least two. | | |
| FAR Part 19 does not apply – See 8.405-5 (ordering procedures come from 8.405-1, 8.405-2, or 8.405-3). | They may use socioeconomic status as an evaluation factor. | | |
| Limitations on subcontracting apply. | No limitations on subcontracting apply. | | |
| NMR applies. | NMR does not apply. | | |
| Ordering activity receives socioeconomic credit. | Ordering activity receives socioeconomic credit. | | |
| No "rule of two" – Must ensure competition requirements in 8.405-1, 8.405-2, or 8.405-3 are met. | | | |

Lesson Summary

You should now be able to:

- Describe the purpose and benefits of the Multiple Awards Schedule (MAS) program
- Define socioeconomics in the context of Government acquisition
- Identify the various small business types and how socioeconomic objectives work within the Government
- Recognize FAR and the Small Business Act requirements as they apply to the Multiple Award Schedules (MAS) program
- Utilize set-asides for both small businesses and subsets of small businesses, based on market research
- Identify contracting and competition requirements for the MAS program, including getting agency credit for awards to small businesses

Web Resources

- Blanket Purchase Agreements:
 http://www.gsa.gov/portal/content/199353
- Sample BPA Format:
 http://www.gsa.gov/graphics/fas/BPA_Sample_Format.doc
- Establishment of BPAs: http://www.gsa.gov/portal/content/199393
- Ordering from BPAs: http://www.gsa.gov/portal/content/200429
- Price Reductions: http://www.gsa.gov/portal/content/200397
- Documentation: http://www.gsa.gov/portal/content/200545
- BPA Frequently Asked Questions: http://www.gsa.gov/portal/content/200549



Additional Web Resources

- MAS Training Student Guides www.gsa.gov/mastrainingstudentguides
- MAS Desk Reference www.gsa.gov/masdeskreference
- Multiple Award Schedules <u>www.gsa.gov/schedules</u>
- eLibrary <u>www.gsaelibrary.gsa.gov</u>
- GSA Advantage! www.gsaadvantage.gov
- eBuy <u>www.ebuy.gsa.gov</u>
- MAS News <u>www.gsa.gov/masnews</u>
- Federal Acquisition Regulation (FAR) www.acquisition.gov/far



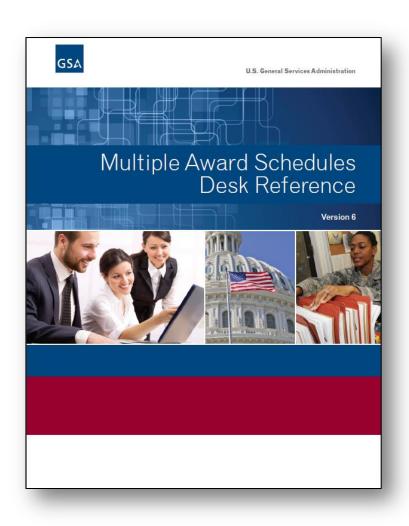
Webinars and Online Training

- Monthly Webinars sponsored by the MAS Program Office http://www.gsa.gov/masnews
- Training Videos http://www.gsa.gov/portal/content/210517
- Continuous Learning Modules
 - Federal Acquisition Institute
 - Defense Acquisition University



 http://icatalog.dau.mil/ Search for continuous learning modules with FAC prefix

MAS Desk Reference



MAS Desk Reference

Online at MAS Desk Reference

Hard copy available through CMLS

<u>CMLS</u>

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